

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	
HRD CORPORATION d/b/a	§	CASE NO. 11-36020-H5-11
MARCUS OIL & CHEMICAL	§	
 MOVANT,	§	
 v.	§	
 DR. EBRAHIM BAGHERZADEH,	§	
COMMUNITY BANK OF TEXAS, AND	§	
JP MORGAN CHASE BANK, N.A.	§	
 RESPONDENTS	§	

EMERGENCY MOTION TO COMPEL TURNOVER OF FUNDS

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, HRD Corporation d/b/a Marcus Oil & Chemical (“Debtor”), Debtor and Debtor in Possession herein, and files this *Emergency Motion To Compel Turnover of Funds*:

1. On July 11, 2011, Dr. Ebrahim Bagherzadeh, through counsel of record, L. Lee Thweatt, caused to be served on both JP Morgan Chase Bank, N.A. and Community Bank of Texas writs of garnishment. A true and correct copy of the return of process on said writs of garnishment are attached hereto as Exhibit A-1 and A-2, respectively.
2. The effect of the garnishment has been to freeze over \$1,350,000 of Debtor’s funds and to cause many outstanding checks to be returned for insufficient funds.
3. This case was filed at 1:47 p.m. on Tuesday, July 12, 2011, in an effort to save the Debtor’s business through a Chapter 11 reorganization and to thwart the efforts of a single judgment creditor from seizing virtually all of the assets of the Debtor to the detriment of the Debtor and all other creditors.

4. Debtor has filed a Suggestion of Bankruptcy in the underlying lawsuit in Federal District Court and has notified all attorneys for Dr. Bagherzadeh of the Chapter 11 filing, requesting a release of garnishment action. A copy of Suggestion of Bankruptcy is attached hereto as Exhibit "B".

5. The garnishment remains unreleased and the accounts remain frozen.

6. Section 543 of the Bankruptcy Code clearly requires the turnover of all property of the Estate to the Debtor upon acquiring the knowledge of the filing or commencement of a bankruptcy case.

7. Debtor will not be able to continue to operate its business if these funds are not immediately released to allow it to pay day to day operating expenses and payroll.

8. There are no secured creditors with an interest in these funds so there are no cash collateral issues.

WHEREFORE, premises considered, Debtor, HRD Corporation d/b/a Marcus Oil & Chemical, prays that this Court set this matter for Emergency Hearing at the earliest possible time and that after hearing it enter its order requiring the turnover of all of the Debtor's funds, and for such other relief to which it may be entitled.

Respectfully submitted,

ROGERS & ANDERSON, PLLC

/s/ Barbara M. Rogers
Barbara M. Rogers
TBN 17163200
1415 N. Loop West, Suite 1020
Houston, TX 77008
713-868-4411
713-868-4413 (fax)
brogers@ralaw.net

ATTORNEY FOR DEBTOR

CERTIFICATE OF SERVICE

I hereby certify that on the 13th day of July, 2011, a true and correct copy of the foregoing Motion To Compel Turnover was served via email or fax as indicated below, and by first class mail on all parties reflected on the attached Service List, postage prepaid.

/s/ Barbara M. Rogers
Barbara M. Rogers

JP Morgan Chase Bank, N.A.
c/o Elaine S. McAnelly
email: Elaine.S.Mcanelly@chase.com

Community Bank of Texas
c/o Pete Steele
email: pstele@mhwsc.com

Dr. Ebrahim Bagherzadeh
c/o Murray J. Fogler
FAX 713-951-3720 and mfogler@brsfir.com
c/o L. Lee Thweatt
FAX 713-600-4706 and lthweatt@terrythweatt.com